

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01782A
Abra Water Company, Inc.
PO Box 515
Paulden, AZ 86334

RECEIVED

APR 27 2008

AZ CORP COMM
Director Utilities

A

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

4-21-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) ABRA Water Co., Inc.

Mailing Address P.O. Box 515
(Street)

Paulden
(City)

AZ
(State)

86334
(Zip)

928-636-2557

Telephone No. (Include Area Code)

928-636-2557

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address abrawater@yahoo.com

Local Office Mailing Address _____
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Kevin Larson President
(Name) (Title)

P.O. Box 385
(Street)

Paulden
(City)

AZ
(State)

86334
(Zip)

928-636-7774

Telephone No. (Include Area Code)

928-636-7702

Fax No. (Include Area Code)

928-713-2788

Cell No. (Include Area Code)

Email Address _____

On Site Manager: Rod Jarbro
(Name)

P.O. Box 566
(Street)

Paulden
(City)

AZ
(State)

86334
(Zip)

928-636-2557

Telephone No. (Include Area Code)

928-636-2557

Fax No. (Include Area Code)

928-925-1049

Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>J. Gordon Cook</u>			
(Name)			
<u>One North Central, Suite 400</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85004</u>
(Street)	(City)	(State)	(Zip)
<u>602-307-9900</u>	<u>602-307-5853</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: <u>Same</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input checked="" type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME: Abra Water Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization Costs	508	463	45
302	Franchises	787	757	30
303	Land and Land Rights	15,044	-	15,044
304	Structures and Improvements	7,644	3,718	3,926
307	Wells and Springs	63,078	41,071	22,007
311	Pumping Equipment	18,683	18,083	600
320	Water Treatment Equipment	104,766	3,121	101,645
320.2	Solution Chemical Feeder	1,794	1,794	0
330.1	Storage Tank	190,426	26,513	163,913
331	Transmission and Distribution Mains	599,093	238,550	360,543
333	Services	131,195	53,607	77,589
334	Meters and Meter Installations	33,737	15,648	18,089
335	Hydrants	-	-	-
339	Other Plant and Misc. Equipment	10,888	2,752	8,136
340	Office Furniture and Equipment	278	133	145
341	Transportation Equipment	8,780	5,268	3,512
340.1	Computer and Software	4,732	4,732	-
343	Tools, Shop and Garage Equipment	307	88	219
345	Power Operated Equipment	-	-	-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Equipment	4,545	3,184	1,362
	TOTALS	1,196,287	419,481	776,805

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: Abra Water Company, Inc.

CALCULATION OF DEPRECIATION EXPENSES FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization Costs	508	5.00%	25
302	Franchises	787	5.00%	39
303	Land and Land Rights	15,044	0.00%	-
304	Structures and Improvements	7,644	3.33%	255
307	Wells and Springs	63,078	3.33%	2,101
311	Pumping Equipment	18,683	12.50%	-
320	Water Treatment Equipment	104,766	3.33%	547
320.2	Solution Chemical Feeder	1,794	20.00%	-
330.1	Strage Tank	190,426	2.22%	4,075
331	Transmission and Distribution Mains	599,093	2.00%	11,972
333	Services	131,195	3.33%	4,230
334	Meters and Meter Installations	33,737	8.33%	2,273
335	Hydrants	-	2.00%	-
339	Other Plant and Misc. Equipment	10,888	6.67%	726
340	Office Furniture and Equipment	278	6.67%	19
341	Transportation Equipment	8,780	20.00%	1,756
340.1	Computer and Software	4,732	20.00%	52
343	Tools, Shop and Garage Equipment	307	5.00%	15
345	Power Operated Equipment	-		-
346	Communication Equipment	-	10.00%	-
347	Miscellaneous Equipment	-	10.00%	-
348	Other Tangible Equipment	4,545	10.00%	455
	TOTALS	1,196,287		28,540

This amount goes on Comaprative Statement of Income and Expense
Acct. No, 403.

COMPANY NAME: Abra Water Company, Inc.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 76,746	\$ 109,482
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	17,706	17,662
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	-	
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	7,983	10,898
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 102,435	\$ 138,042
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,089,934	\$ 1,196,287
103	Property Held for Future Use	31,000	31,000
105	Construction Work in Progress		43,050
108	Accumulated Depreciation - Utility Plant	(390,429)	(419,481)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 730,505	\$ 850,855
	TOTAL ASSETS	\$ 832,940	\$ 988,897

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current)		-
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	15,943	14,756
236	Accrued Taxes	8,814	1,053
237	Accrued Interest	-	
241	Miscellaneous Current and Accrued Liabilities	3,701	467
	TOTAL CURRENT LIABILITIES	\$ 28,458	\$ 16,276
	LONG-TERM DEBT (Over 12 Months)		
224	Long Term Note & Bonds	\$ 156,717	\$ 264,400
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	306,559	307,031
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	334,531	334,531
272	Less: Amortization of Contributions	(174,371)	(174,371)
281	Accumulated Deferred Income Tax	0	
	Total Deferred Credits	\$ 466,719	\$ 467,191
	Total Liabilities	\$ 651,894	\$ 747,867
201	Common Stock Issued	\$ 10,000	\$ 10,000
211	Paid in Capital in Excess of Par Value	248,238	248,238
215	Retained Earnings	(77,192)	(17,208)
218	Property Capital (Sole Props and Partnerships)	-	-
	Total Capital	\$ 181,046	\$ 241,030
	TOTAL LIABILITIES AND CAPITAL	\$ 832,940	\$ 988,897

COMPANY NAME: Abra Water Company, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSES

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 201,154	\$ 221,952
460	Unmetered Water Revenue		
474	Other Water Revenues	23,570	36,617
	TOTAL REVENUES	\$ 224,724	\$ 258,569
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 22,573	\$ 26,145
610	Purchased Water		
615	Purchased Power	13,904	13,949
618	Chemicals	721	340
620	Repairs and Maintenance	4,090	6,616
621	Office Supplies and Expenses	6,620	6,717
630	Outside Services	97,842	72,232
635	Water Testing	4,103	2,293
641	Rents	-	5,056
650	Transportation Expenses	2,336	3,386
657	Insurance - General Liability	3,701	2,270
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case	-	
675	Miscellaneous Expense	2,477	2,448
403	Depreciation Expense	28,401	28,540
408	Taxes Other Than Income	1,826	3,727
408.11	Property Taxes	8,612	15,780
409	Income Tax	50	54
	TOTAL OPERATING EXPENSES	\$ 197,256	\$ 189,553
	OTHER INCOME/EXPENSES		
419	Interest and Dividend Income	\$ 454	\$ 1,049
421	Non-Utility Income	-	15
426	Miscellaneous Non-Utility Expenses	-	(239)
427	Interest Expense	-	(9,857)
	Total Other Income/Expenses	\$ 454	\$ (9,032)
	Net Income/Loss	\$ 27,922	\$ 59,984

COMPANY NAME ABRA WATER Co. Inc.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	2/7/98	9/15/03	9/6/06	
Source of Loan	Promissory Note	WIFA	WIFA	
ACC Decision No.	W-1782-97-211	65917	68693	
Reason for Loan	O + M	STORAGE TANK	ARSENIC TREAT- MENT PLANT	
Dollar Amount Issued	\$17,873.00	\$163,888.00	\$250,000.00	\$
Amount Outstanding	\$12,458.42	\$140,223	\$238,922	\$
Date of Maturity	2018	2023	2026	
Interest Rate	10 %	4.2 %	5.6 %	%
Current Year Interest	\$1,288.70	\$6,033	\$10,209	\$
Current Year Principle	\$780.96	\$6,291	\$11,078	\$

Meter Deposit Balance at Test Year End

\$ 17,356.11

Meter Deposits Refunded During the Test Year

\$ 11,398.52

COMPANY NAME	ABRA Water Co., Inc.		
Name of System:	ADEQ Public Water System Number:	13-001	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-619178	2-10	180	900' 2700' total	24"	4"	1901/1958
55-561786	1-40	275	380'	12"	4"	1997

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000 gall.	1	350 gall.	4

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	ARBA WATER CO. INC.
Name of System:	ADEQ Public Water System Number: 13-001

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC SCH 40	10,635
3 1/2	TRANSITE	7,495
4	SDR-PVC	1,395
5 1/2	C-900 PVC	12,435
6	TRANSITE	15,110
8 1/2	SDR PVC	8,395
10 1/2	C-900 PVC	35,670
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	634
3/4	
1	
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

CHLORINE GAS INJECTOR SYSTEM

STRUCTURES:

Pump House

COIN OPERATED DISPENSER WITH PUMPHOUSE AND STAND PIPE

BOOSTER STATION

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>ABEA WATER CO. INC</u>	
Name of System:	ADEQ Public Water System Number: <u>13-001</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY		2921	3239	
FEBRUARY		3052	3374	
MARCH		3191	3434	
APRIL		4244	4542	
MAY		6156	6303	
JUNE		6480	6660	
JULY		6848	6912	
AUGUST		5800	5924	
SEPTEMBER		5434	5563	
OCTOBER		3943	4058	
NOVEMBER		4048	4173	
DECEMBER		2920	3094	
TOTALS →		55,037	57,276	Ø

What is the level of arsenic for each well on your system? .14 + .36 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ____ GPM for ____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ (X) Yes ☐ () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ () Yes ☒ (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ () Yes ☒ (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME ABRA Water Co. Inc. YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 7168

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

DEPOSIT TICKET

11/21/07

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

75.00

Processed 11/21/07 \$75.00

DEPOSIT TICKET

11/27/07

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

1811.98

Processed 11/27/07 \$1811.98

DEPOSIT TICKET

11/27/07

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

20.00

Processed 11/27/07 \$20.00

DEPOSIT TICKET

11/28/07

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

867.18

Processed 11/28/07 \$867.18

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

11/26/07

75.00

Processed 11/08/07 \$75.00 Ch# 4806

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

11/26/07

77.90

Processed 11/26/07 \$77.90 Ch# 4807

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

11/7/07

5.00

Processed 11/09/07 \$5.00 Ch# 4808

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

11/19/07

50.00

Processed 11/26/07 \$50.00 Ch# 4809

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

10/31/07

7168.08

Processed 11/16/07 \$7168.08 Ch# 4862

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

11/21/07

273.38

Processed 11/21/07 \$273.38 Ch# 4863

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

11/19/07

105.00

Processed 11/26/07 \$105.00 Ch# 4864

ABRA WATER COMPANY INC.
P.O. BOX 519
PAULSEN, AZ 85348

10-11-07

130.00

Processed 11/16/07 \$130.00 Ch# 5119

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

APR 11 A 2008

ARIZONA CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>YAVAPAI</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>ROOSEVELT J. YARBRO SEC/TREAS</u>
COMPANY NAME	<u>ABRA WATER Co. Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

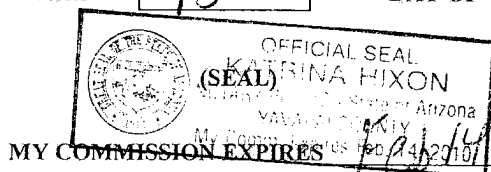

SIGNATURE OF OWNER OR OFFICIAL

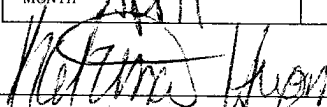
928-626-2557
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15 DAY OF



COUNTY NAME	<u>Yavapai</u>	
MONTH	<u>April</u>	<u>2008</u>
 SIGNATURE OF NOTARY PUBLIC		

COMPANY NAME ABRA Water Co., Inc. YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 50

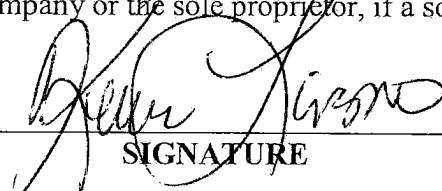
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4-15-08
DATE

KEVAN LARSON
PRINTED NAME

PRESIDENT
TITLE

RECEIVED

APR 11 2008

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

AZ CORP COMM
Director Utilities

VERIFICATIONSTATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>YAVAPAI</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>RODOLFO J. YARZAN Sec/Treas.</u>
COMPANY NAME	<u>ABRA WATER CO. INC.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 237,552

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 15,600

IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL

928-636-2557

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

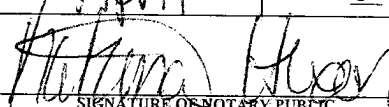
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

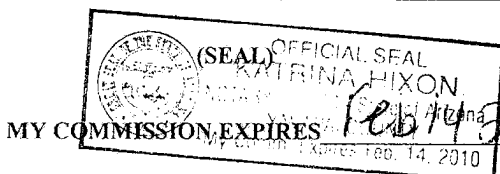
15

DAY OF

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>April</u> 200 <u>8</u>



SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED

APR 18 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI</u>	
NAME (OWNER OR OFFICIAL) <u>RODOLFO J. YARZED</u>	TITLE <u>SEC/TREAS.</u>
COMPANY NAME <u>ARIZONA WATER CO. INC.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 237,552

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 15,600
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Katrina Hixon
SIGNATURE OF OWNER OR OFFICIAL

928-636-2557

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

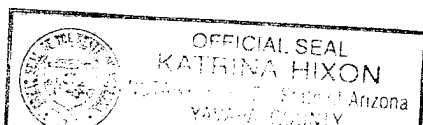
THIS

15

DAY OF

NOTARY PUBLIC NAME <u>Katrina Hixon</u>	
COUNTY NAME <u>YAVAPAI</u>	
MONTH <u>April</u>	YEAR <u>2008</u>

(SEAL)



MY COMMISSION EXPIRES Feb 14 2010

X Katrina Hixon
SIGNATURE OF NOTARY PUBLIC